



DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-50-2021]

Foreign-Trade Zone (FTZ) 265 – Conroe, Texas; Notification of Proposed Production Activity; LUC Urethanes, Inc. (Wheels, Rollers and Friction Pads for Industrial Machinery and Material Conveyance), Conroe, Texas

The City of Conroe, Texas, grantee of FTZ 265, submitted a notification of proposed production activity to the FTZ Board on behalf of LUC Urethanes, Inc. (LUC), located in Conroe, Texas. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on June 17, 2021.

The LUC facility is located within FTZ 265. The facility is used for the production of wheels, rollers and friction pads for industrial machinery and material conveyance. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt LUC from customs duty payments on the foreign-status components used in export production. On its domestic sales, for the foreign-status materials/components noted below, LUC would be able to choose the duty rates during customs entry procedures that apply to wheels, rollers and friction pads for industrial machinery and material conveyance (duty rate ranges from duty-free - 3.1%). LUC would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The components and materials sourced from abroad include: various chain extenders [1, 4 Butanediol; 2-Methylpropyl 3,5-diamino-4-chlorobenzoate; Trisopropanolamine; 1, 3-Bis(2-hydroxyethoxy) benzene; 4,4 methylene bis (2-chloroaniline); Hydroquinone bis (2-hydroxyethyl) ether; Trimethylol propane]; various prepolymers [Toluene diisocyanate; Poly(oxy-1, 4-butanediyl), alpha-hydro-omega-hydroxy-, polymer with 2, 4-diisocyanato-1-methylbenzene; Toluene-2, 4-diisocyanate; Hexanedioic acid, polymer with 2, 4-diisocyanato-1-methylbenzene and 1, 2-ethanediol, isocyanate-terminated]; various polyols [2-oxyepanone, -polymer with 2, 2-dimethyl-1, 3-propanediol; Poly(caprolactone)diol, Average M.N 2000; Polybutadiene having terminal hydroxyl group; Diethyl ester carbonic acid polymer with 1, 6-hexandiol; Poly(Ethylene Adipate); Hexanedioic acid polymer with 1,4-butanediol and 1,2 ethane]; Oxydipropyl dibenzoate; DBE diisocyanate ester; Short/chopped nonwoven strengthening aramid fibers; Release Agent-Low toxicity processing solvent; Lubricants/Vacuum Grease; coloring pigments with less than 80% titanium dioxide; mixture of coloring pigments with a carbon black base; mixture of coloring pigments with no dominant ingredient; steel or aluminum shafts for rollers; and, steel or aluminum roller bodies (duty rate ranges from duty-free to 6.5%).

The request indicates that certain materials/components are subject to duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Diane Finver at Diane.Finver@trade.gov or (202) 482-1367.

Dated: June 30, 2021.

Andrew McGilvray,

Executive Secretary.

[FR Doc. 2021-14330 Filed: 7/2/2021 8:45 am; Publication Date: 7/6/2021]